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INTELLIGENCE SUMMARY

For Week Ending 24 November 1948

Vol. III No.46

NO CHANGE in Class.  DECLASSIFIED Class. CHANGED TO: TS	1	
Auth: DDA DERO, 4 Apr 77	s	C
Date: <b>8</b> MAR 1978 <sub>By</sub> : <b>0</b> /	7	

NEAR EAST/AFRICA BRANCH OFFICE OF REPORTS AND ESTIMATES CENTRAL INTELLIGENCE AGENCY

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## NFAR EAST/AFRICA BRANCH

#### INTELLIGENCE STAWARY

For Week Ending 24 November 1948 VolgIII No. 46

#### OREECK

The new Greek Government which was sworn in on 18 November will probably not survive long. Prime Linister Sophoulis, whose reshuffled government survived an immediate vote of confidence by a slim margin of two, obtained a parliamentary recess until 1 February so as to permit the government to act freely, without risking another test of strength. Nevertheless, the government lacks the confidence of the people, who feel that it differs little from its predecessor and can offer nothing new in the way of concrete plans or inspiration in the struggle to pacify the country. There is consequently more than an even chance that some combination of parliamentary opposition and public opinion will soon force the government out of office. What sort of government would then emerge is problematic. The most likely possibilities are another reshuffle, which would satisfy no one, or a regime led by a popular military figure and backed by the palace and more US aid, which might briefly rally the country. Regardless of the temporary parliamentary adjustments which may be made, however, unless the basic problems are quickly and effectively attacked, a war-weary people and a dangerously disillusioned army might force on the politicans far more drastic changes than have so far been made.

#### TURKEY

The progressive deterioration of Turco-Bulgarlan relations has now reached the point where the Bulgarlan Minister has been permanently recalled to Sofia, and there is a strong possibility that the cleavage between the two countries may soon grow even wider. The Turkish Government, which can be expected at least to reciprocate Bulgaria's action as a matter of proper diplomatic practice, has reportedly threatened to break relations with Bulgaria completely if the Bulgarians proceed with the execution of a Turkish Army officer seized by them in a border incident.

The election of former Premier Sukru Saracoglu to the presidency of the Turkish National Assembly indicates that the conservative wing of the ruling People's Republican Party (PRP) still has plenty of strength despite the previous success of the PRP moderates in forcing the government to provide them with representatives in the cabinet. General Cebesoy, the outgoing president of the Assembly, was probably unsatisfactory to the PRP old guard not only because he was to a certain extent

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identified with the party moderates but also because his scrupulous fairness toward all deputies, both within his party and among the opposition, made him insufficiently responsive to partisan demands.

#### PALESTIME

Israeli control of the Negeb appears assured notwithstanding Israel's acceptance of the Security Council directive to withdraw from the Negeb those troops which had been brought into the area since 14 October, when the Jewish offensive began. Although the Israelis have withdrawn along the coast, they have yielded little important ground and have refused to give up the strategic city of Beersheba, which they captured from the Egyptians after 14 October. Moreover, the Egyptian retreat has left the Negeb supply routes in the hands of the Israelis. It now appears that the Israeli forces in the Negeb, strongly backed by the main army to the north, are sufficient to prevent the Egyptians, even with reinforcements, from retaking the area.

#### EGYPT

The Palestine debacle has made Egypt's weakness apparent and has forced Egyptian leaders to consider the possibility of resuming the Anglo-Egyptian treaty negotiations which broke down last year. The king reportedly favors the resumption of discussions, and ex-Prime Minister Sidky Pasha has declared that a treaty with the UK is essential to Egyptian interests. The UK, for its part, considers the retention of British troops in the area and the preparation of operational bases essential to its defense plans. Egyptian nationalists strongly oppose these objectives and insist on the removal of all foreigners from Egyptian soil. Thus it will be difficult for Egyptian politicans, who have encouraged and capitalized on anti-foreign feeling, publicly to admit the necessity of negotiating a treaty with the British, and there will probably have to be a change of cabinet before serious discussions can begin, particularly in view of Prime Minister Nokrashy Pasha's uncompromising attitude in past Anglo-Egyptian negotiations. In the event of a change, Nokrashy's most likely successor appears to be Sidky, who could be expected to form a government more favorable to the UK than the present one-

#### IRAQ

Iraq1 leaders are apparently beginning to discover that the substitution of a policy of nationalism for their former role as the "victin of British imperialism" gives little promise of providing a solution to



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their present political and economic difficulties. Nationalism in Iraq reached its peak in January 1948, when anti-British demonstrations inspired by the Independence Party resulted in the rejection of the Portsmouth Treaty and the fall of the Jabr Government, which sponsored the treaty. Since then, military disillusionments in Palestine and the steadily deteriorating economic situation have caused some officials to entertain serious doubts regarding the wisdom of their present course.

The strength of this reversal in Iraqi thinking is indicated by a number of recent developments. Former Prime Minister Jabr, who fled the country in February in fear of his life, has returned to Iraq without occasioning any disturbances. Independence Party influence is declining; in the recent elections, the party obtained only four seats in parliament. Nuri Said, Iraq's best-known elder statesman, has reappeared in political life as a member of the Regency Council. Nuri is well known for his pro-British feelings and was an active supporter of the Portsmouth Treaty: Shaker al Wadi, former member of the Jabr Cabinet, has been appointed Minister of Defense. Although there was some adverse criticism of the appointment, he still retains the portfolio. Parliament gave the Prime Minister a vote of confidence following his speech urging greater Anglo-Iraci collaboration and defending the Portsmouth Treaty. As reflected in private conversations, there is a general feeling of discouragement over the Palestine situation and a realization that in the event a negotiated settlement becomes necessary, the Arabs will need some great-power support. There is also a feeling that Iraqi rejection of the British treaty is one reason for the UK's withholding arms from Iraq. Iraqi leaders realize the necessity for UK financial support. The British Treasury has been cool toward recent Iraqi loan applications; it is now reported that Iraq is attempting to negotiate a private loan from British banks.

While the basic inclination of many Iraqi leaders is probably against the strengthening of ties with the West, they are sufficiently intelligent to realize that the exigencies of their present situation may make such steps necessary.

## TRAN

Soviet Ambaseador Sadchikov's recent return to Tehran appears to mark the end of a four-month period of calm in Iranian-Soviet relations. Already Sadchikov has reportedly declared that Iran must grant the USSR an oil concession and must get rid of the US military missions. The USSR recently assigned a vice-consul to Bandar Shapur, in the strategically important oil and shipping area of southwestern Iran. This action

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is particularly significant in view of the fact that: (1) the USGR has no important commercial interests in the area; (2) only a few months ago the Iranian Government informed the Kremlin that, on the basis of reciprocity, it intended to reduce the number of Soviet consular posts in Iran to one (the Coviet permitting but one Iranian consular post in the UCCR, at Baku); (3) Bander Shapur was chosen by the Iranian Army as the port of entry for military sucplies nurchased from the US; and (4) the US cannot adequately observe Soviet activities in this area since it maintains no representation there. The current near-collapse of government in Iran through the irresponsibility and inactivity of the Englis provider rich material for pro-Toviet propaganda. Moreover, the Tudeh Party has increased its strength and expanded its activity far above the 1947 level. A possible new source of guidance for the Tudeh (as well as for covert activity in general) has appeared with the arrival in Tehran of a new Rumanian Minister with a staff of eight, most of them Woslems; it is alleged that this group is to establish a Cominform headquarters for the Middle East in Iran. In view of these developments, it may be expected that the Kremlin is planning a strong offensive against Iran through both clandestine and diplomatic channels.

## INDIA-PAKISTAN

Relations between India and Pakistan continue to deteriorate over the Kashmir situation. India has reinforced its troops in Kasiwair, increased its air operations, and extended its positions in certain areas. Despite public and private denials by India, Pakistan is convinced that the Indian Army is about to launch a strong offensive. The Government of Pakistan has therefore appealed to the UN and to the UK for preventive action, meanwhile reportedly reinforcing its own positions along the Kashmir border. It is always possible that the increased tension between the two dominions may develop into war; however, winter weather, Pakistanti and Indian fear of the disastrous consequences of full-scale war, and continuing UN concern are expected to prevent the outbreak of a major conflict.

### NUTED IN BALEF

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that issuel adopt a more conditiatory attitude toward the Arabs. On this basis, he believes, a reasonable peace settlement could be worked out. . . . . . . . . . . . . The allocation of 432 million to irab refugee relief, as resolved by the feourity wouncil, has been approved by the real Assembly. The 83 Delegation is expected to announce, after President Trumen has obtained congressional approval, that the UE will contribute half of this amount . . . . . . . . . . The Kashmir Commisedon has presented its interia report to the Security Louncil and has collected draft plebistite suggestions to the COI and COP. The Commisedem hopes to keep discussions over fakistan's current charges of Indian activity in Eachedr to a minimum lest Indian indignation jeopardize mentiations between the dominions. . . . . . . . . The Caylon Covernment has rejected the Soviet offer to purchase its entire rubber output, Both the US and UK expressed concern over the Soviet negotiations, but neither country has given Ceylon assurances of aid in maintaining the rubber industry. The rejection of the Soviet offer does not prevent Seviet purchases from individual producers and private dealers,

